

CALIFORNIA EXPOSITION & STATE FAIR

Minutes of the Board of Directors Regular Meeting

Held Pursuant to Due Notice
Friday, January 28, 2011

California Exposition & State Fair
Administration Building Boardroom
1600 Exposition Boulevard
Sacramento, CA 95815

Directors Present

Director Corny Gallagher, Chair
Director Rick Stacey, Vice Chair
Director Cynthia Bryant
Director Sonney Chong
Director Richard Cuneo
Director Richard Engel
Director Rex Hime
Director Marko Mlikotin
Director Kathy Nakase
Director Amparo Pérez-Cook

Directors Absent

Director Steve Beneto

Ex Officio Members Absent

Assembly Member Roger Dickinson
Senator Darrell Steinberg

Staff Present

Norbert J. Bartosik, General Manager/CEO (GM)
Brian A. May, Deputy General Manager (DGM)
David Elliott, Assistant General Manager, Racing (AGM)
Patricia Garamendi, Assistant General Manager, Programs (AGM)
Dana McIlwain, Assistant General Manager, Chief Financial Officer (AGM)
Robert Craft, Chief of Police
Marcia Shell, Admissions, Parking & RV Park Manager
Jeff Conner, Box Office Manager/Admissions
Susan Vellutini, Human Resources Manager
Joan Evans, Interim Marketing Manager (IMM)
Brian Honebein, Sponsorship Sales
Greg Kinder, Exhibits Supervisor
Sandi Hurtgen, Entry Office Supervisor
Tomme Jo Dale, Livestock Program Coordinator
Paul Gillingham, Entertainment Coordinator
Barbara Mustard, Cal Expo Law Enforcement
Randy Brink, Cal Expo Volunteer
Linda Contreras, Recording Secretary

Others Present*

Gil Albiani

Bert Johnson

Cortez Quinn, Representative for Assembly Member Roger Dickinson

Susan McKee, Representative for Senator Darrell Steinberg

Ken Allred, Gerry Kamilos LLC

Courtney Pasqual, Runyon Saltzman & Einhorn

Cristin Wagoner, Runyon Saltzman & Einhorn

Alan Horowitz, California Harness Horsemen Association

Mona Foster, Cultural Advisory Council

Harry Moos, Friends of the Fair

Jeannie Schlenker

Thelma Schlenker

Steve Seacrest

Jean Fleury

*May not include all others present in the room or arriving late.

1. CALL TO ORDER

The meeting was called to order by Chair Gallagher at 12:30 p.m.

Chair Gallagher read the Mission Statement and the Policy Statement.

2. PLEDGE OF ALLEGIANCE

Chair Gallagher asked Outgoing Directors Albiani and Johnson to lead the Board, Staff and Guests in the Pledge of Allegiance.

3. ROLL CALL AND DIRECTORS ABSENT

Roll call was taken by GM Bartosik and a quorum was present. Director Beneto was not present and had asked to be excused.

Motion:

It was moved by Vice Chair Stacey and seconded by Director Hime to excuse the absence of Director Beneto. **All in favor, motion carried.**

4. INTRODUCTION OF GUESTS & STAFF

Introduction of Guests and Staff were made around the room.

5. PRESENTATIONS

- a. Presentation by the Board to Director Gil Albiani
- b. Presentation by the Board to Director Johnson

Chair Gallagher thanked and presented Director Johnson with a Golden Bear and Lifetime Credential for his term on the Board.

Director Johnson thanked the Board and said he will continue to support the State Fair and will miss everyone.

Chair Gallagher thanked Director Albiani for all his support during his term on the Board and presented him with a Golden Bear.

Director Albiani thanked the Board and said he will continue to support the State Fair.

- c. Presentation by the Board Chair to Jeannie Schlenker on Recognition of her Retirement from Cal Expo

Chair Gallagher presented Jeannie Schlenker with a Golden Bear recognizing her for her years of service to Cal Expo.

Chief Craft and AGM May expressed their gratitude and thanked Jeannie for her support all these years.

Ms. Schlenker thanked the Board and Staff for the presentation and said she will miss everyone. Ms. Schlenker particularly wanted to thank Directors Nakase and Pérez-Lemus for their support with the “Walk Along Program”.

Chair Gallagher thanked newly appointed Directors Bryant, Engel and Chong for accepting the appointments to the Board.

Director Engel thanked Chair Gallagher and looks forward to serving the Board.

Director Bryant thanked Chair Gallaher and has been a Fair fan since her childhood and is thrilled to be on the Board.

Director Chong thanked Chair Gallagher and expressed how happy he is to be on the Board.

Chair Gallagher asked the Board, Staff and Guests for a moment of silence for Sargent Shriver and George Crowe, a close friend of Chair Gallagher who had passed away.

Chair Gallagher asked the Board, Staff & Guests to keep Cultural Advisory Council Member, Richard Novoa in their prayers and gravely ill.

6. MINUTES OF MEETING

- a. Board of Directors Committees and Meeting Minutes of December 10, 2010

Motion:

It was moved by Director Cuneo and seconded by Director Pérez-Lemus to approve the minutes of December 10, 2010 as mailed. **All in favor, motion carried.**

7. COMMITTEE AND STAFF REPORTS

- a. State Fair, Agriculture & Marketing Committee Reports – Director Engel

Director Engel directed the Board’s attention to the 28 awards received by the California State Fair at the Western Fair Association Convention.

Courtney Pasqual and Cristin Wagoner, Runyon Saltzman & Einhorn summarized the theme concept for 2011 which is based on even bigger fun. The rough campaign will be presented at the next meeting.

Director Engel reported on the update from Staff of the State Fair exhibits and reported the scholarship application deadline is March 11.

Director Nakase requested Staff to forward the scholarship application website link to the Board.

The Committee recommends approval of Jennifer Fearing and Emily Rooney applications to the Agricultural Advisory Council.

Motion:

It was moved by Director Hime and seconded by Director Chong to approve Staff Recommendation of Member Candidates, Jennifer L. Fearing, California Senior State Director, The Humane Society of the United States, and Emily Robidart Rooney, President, Agricultural Council of California to the Agricultural Advisory Council. **All in favor, motion carried.**

AGM Garamendi reported the Livestock Nursery will be moving from the Farm to Ranchland for the 2011 State Fair. AGM Garamendi distributed a 2011 State Fair calendar to the Board. A copy is attached and made part of the record.

Director Mlikotin commented on the campaign and what type of revenue plan Staff has. Director Mlikotin would like to see next month what type of promotion and discounts are being provided fairgoers to draw attendance.

IMM Evans reviewed her reports included in the Board packet.

b. Horse Racing Committee Reports – Director Beneto

Vice Chair Stacey reviewed the Staff reports included in the Board packet. There were no questions.

c. Operations & Planning Committee Reports – Director Cuneo

Director Cuneo reviewed the correspondence on the Flood Risk Notice from the Department of Water Resources.

Director Cuneo reported on the Committee's review of the Capitol Project Projection included in the Board packet.

d. Executive Committee Report – Chair Gallagher

Chair Gallagher reported on Staff changes with California Department of Food and Agriculture and the Governor's proposal to reduce its budget by 50%.

100% of fair funding is proposed for elimination. Chair Gallagher asked the Board and Staff to bring back some suggestions and ideas on how to renew our facility.

Director Nakase asked what the impact to Cal Expo if funding was eliminated. Chair Gallagher reported the elimination of funds would not affect the 2011 State Fair.

The fairs will be defending their position and point out they generate extensive revenues and taxes to the state.

Director Mlikotin commented on the legislative proposal that Staff is working on that will remove some of the state's regulations and asked if this been concluded and would this be a savings of \$800,000 annually for Cal Expo? DGM May reported Cal Expo's pro rate adjusts from \$500,000 to \$750,000 annually. About \$500,000 is for retirement medical and which Cal Expo is legally obligated to pay. About \$250,000 is paid to the State as part of being a state agency; this is what Cal Expo would be relieved of with the legislative proposal.

e. Legislative Committee Report – Director Hime

Director Hime reported on the proposed budget by Governor Brown and the Governor's strategy to balance the budget.

8. FINANCIAL REPORTS

- a. Monthly Financial Statements for November 2010
- b. Accounts Receivable Reports
- c. Contracts/Purchases Requiring Board Approval
- d. Contract/Purchases Requiring Board Notification

Vice Chair Stacey reported that a detailed review of the Accounts Receivables was done.

Staff is bringing back a recommendation for changes to the monthly reporting.

There were no questions on the financial reports.

AGM McIlwain reported Cal Expo's annual Line of Credit was renewed by the Bank. This will be brought back next month for the Board's approval. GM Bartosik reported that the Line of Credit has never been used.

Motion:

It was moved by Director Pérez-Lemus and seconded by Director Cuneo to approve the monthly financial reports for November 2010 and the Contracts/Purchases Requiring the Board's approval. **All in favor, motion carried.**

9. CONSENT CALENDAR

- a. Review & Consider for Approval Staff Recommendation of Member Candidates, Jennifer L. Fearing, California Senior State Director, The Humane Society of the United State and Emily Robidart Rooney, President, Agricultural Council of California to the Agricultural Advisory Council

This was completed during the State Fair, Agriculture & Marketing Committee report.

10. CORRESPONDENCE

a. Division of Fairs & Expositions Approved 2011 Operating Budget

GM Bartosik reported that the Staff will continue monthly reporting as it always has as it works towards a positive fund balance.

Director Mlikotin asked how close Cal Expo was to running out of cash. GM Bartosik said the Staff continues to respond to the challenges of the economy, but in no way will Staff allow Cal Expo to reach the depths of the State budget.

b. Department of Water Resources Flood Risk Notice Letter

This was discussed during the Operations & Planning Committee report.

11. UNFINISHED BUSINESS

a. Review Update from Consultant, Andy Plescia on Cal Expo Renewal Project

DGM May reviewed the Cal Expo Renewal Project report by Consultant, Andy Plescia included in the Board packet.

Director Nakase requested that Mr. Plescia provide the Task Chart and Timeline for the Board's review in future updates.

Director Mlikotin asked for an update on the City's proposal to build an Arena and what is Cal Expo's involvement. DGM May said that Staff is meeting with Vision Makers on Monday as suggested by the Board. Gerry Kamilos and Vision Makers have been informed that these are not exclusive negotiations. Cal Expo is continuing to talk to others as it seeks the preferred alternative for rebuilding Cal Expo.

12. NEW BUSINESS

a. Review Concept Recommendations for the Overall State Fair Marketing & Advertising Campaign

This was presented during the State Fair, Agriculture & Marketing Committee report.

13. MATTERS OF INFORMATION

a. Public Comments

Chair Gallagher thanked Nick Nicora with Ovations for the annual celebration of partners during the Western Fairs Association Convention.

b. Directors' Comments

Director Hime commented on the December 2010 Issue of Venues Today Magazine Article and Coverage on the front page. Director Hime and the Board congratulated and applauded GM Bartosik. A copy is attached and made part of the record.

c. Manager's Comments

d. Next Board Meeting – **Friday, February 25, 2011**

e. Other, if any

Randy Brink provided his report.

14. ADJOURNMENT

Motion:

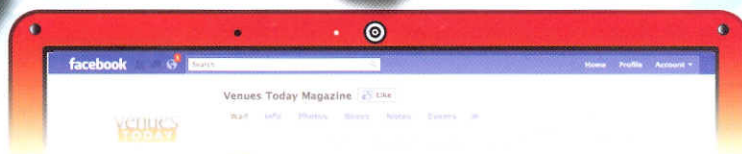
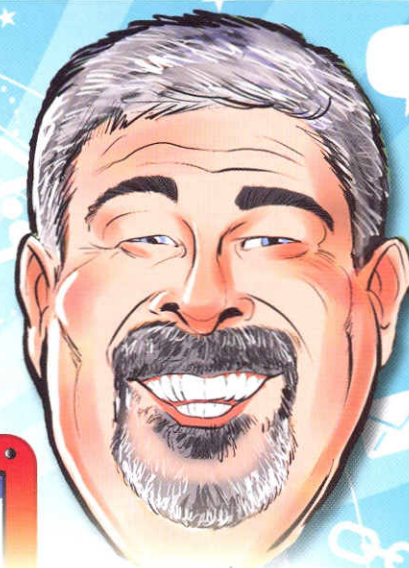
It was moved by Director Cuneo and seconded by Director Hime to adjourn the Board of Directors meeting. **All in favor, motion carried.**

The Board of Directors meeting was adjourned at 1:45 p.m.

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<div>July 14 - 31</div> <div>July 8 - Gala</div> <div>7/9 – FFA Ag Mechanics Judging</div>						
Fair Hours: Friday thru Sunday 10am-10pm Monday thru Thursday 12 Noon-10pm	Coming Events	12	13	14 OPENING DAY	15 SENIOR FRIDAY	16
	March 22: Ag Day @ the Capitol June 1, 2, 3: Wine Judging July 8: Gala		Counties Judging Jr. Livestock Arrival	Jr. Livestock weigh-in Splash Dogs Fab Four	Counties Awards Market Day Versatility Clinic Splash Dogs Blue Oyster Cult	Expo Center Awards Ceremony Sale of Champions Ag Advisory Council 1pm Dirt to Dish Chef Challenge (rnd 1) Versatility Splash Dogs
17	18	19 KIDS DAY	20	21	22 SENIOR FRIDAY	23
Firehouse Chef Dirt to Dish Jr. Livestock Release Jr. Awards Splash Dogs Youth Horse Show	Youth Horse Show Jr/Open Beef Boer Goats, Pigmy, Angora and Nigerian Goat arrival	Youth Horse Show	First Responders Day Chef Challenge (rnd 2) Cattlemen's Day (tentative) Lee Greenwood	Fun for All Day Release Beef & Goats	Dirt to Dish Dairy Cattle, Dairy Goat arrival	Plein Air at the Fair Arts Day - Artist of the Year Presentation Dirt to Dish Dairy Cattle, Dairy Goat Arrival Destruction Derby
24	25	26 KIDS DAY	27	28	29 SENIOR FRIDAY	30
Chef Challenge (rnd 3) Dirt to Dish Plein Air at the Fair Plein Air Judging Destruction Derby			Release Dairy Jr. Livestock Awards	Longhorn, Llama, Sheep and Swine Arrival	Ag Heritage Brunch Dirt to Dish Brewfest Tractor Pull	Dirt to Dish Winefest Motorcycle Racing
30		Daily Events:	Every Weekend:	Daily Entertainment		
Firehouse Chef Final Dirt to Dish Release Longhorns, Llama, Sheep & Swine Motorcycle Racing		Farm Games Savemart Passport Program Insect Experience Fish Experience Blacksmith Experience				

Venues

TODAY



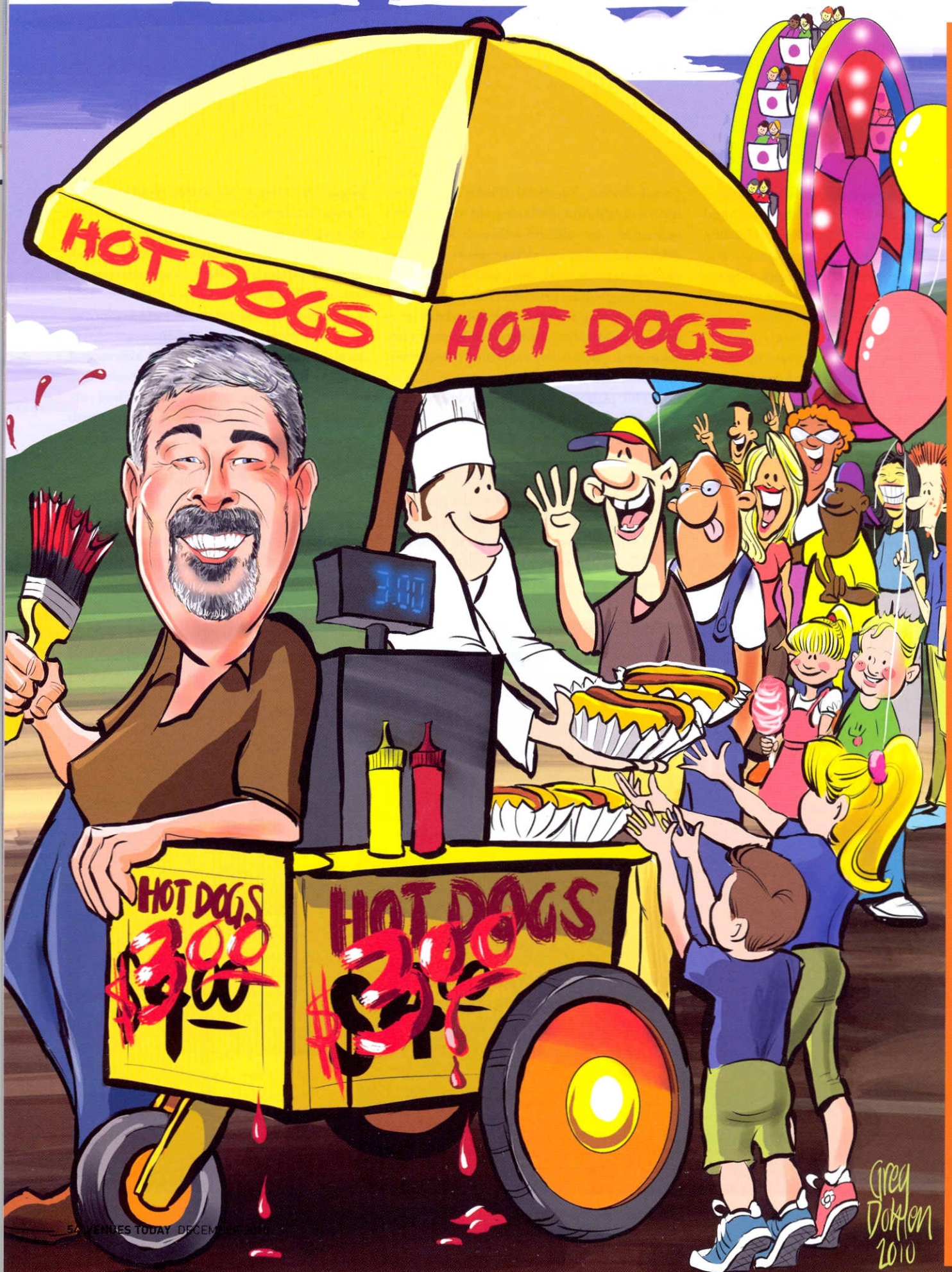
Meet the 2010 Hall of Headlines Winners!

Attach:



Share





'25 FOR 25' REAPS POSITIVE PRESS

by LINDA DECKARD

In a year of continued economic struggles, especially in state capitals like Sacramento, the 25-for-25 initiative engineered at the California State Fair there was good for the consumer most of all and concessionaires in hindsight.

Norb Bartosik, fair president, announced last year that for the 2010 fair, he would reduce rental rates to independent concessionaires by 25 percent. In exchange, he expected concessionaires to reduce prices to the public by 25 percent.

It was not easy to sell the idea to small businesses, but he did and it worked and it earned him the 2010 *Venues Today* Hall of Headlines Award for Concessions. Bartosik is the first fair manager so honored.

Reducing rent by 25 percent meant the fair charged concessionaires 18 percent rather than the historic 24 percent of gross food sales in rent.

The risk was that the fair took in less revenue and was counting on volume to make up the difference. In the end, it did not totally close the gap. The total gross from food and drink at the 2010 California State Fair was \$6,839,036, from which the fair received total commissions of \$1,428,891. In 2009, with higher prices and higher commissions, the gross was \$6,983,349, slightly higher than 2010, and commissions were \$1,702,544, almost \$300,000 more.

"I look at the surveys we do every other year. We work on everything the public tells us we should look at or be changing or making different or better," Bartosik said of the evolution of 25-for-25. Last year, they simplified carnival pricing, and reduced it, with Butler Amusements on the midway. This year, the issue was food prices.

The rental rate had been 24 percent since before Bartosik arrived at the California State Fair 18 years ago. "I always thought it was too high. Everyone just got used to it." But to accomplish his goal of lessening prices to the consumer, he knew he would first have to address the rent.

Add to the mix that the fair changed dates in 2010, running in July rather than the traditional Labor Day dates, and positive publicity was a priority. The discounted prices helped promote the date



change, keeping the fair in the news. "We have over 100,000 state employees, and there are also counties and city governments doing furloughs," Bartosik noted. "With the state employees furloughs were three days a month and that's kind of your extra money."

To execute the plan, the fair pulled menus and price lists from individual concessions contracts from the 2009 fair and worked with each stand to bring the prices down 25

percent. If the concessionaire was new to the fair, they secured a price list from another fair that had one on file for 2009.

"We individually set up meetings with them. There were a couple of naysayers, holdouts. I said the only loser in the long run is the fair, because we may not be able to gross what we did unless we do extremely well with the business. You're paying less rent on your gross. You'll win, the customer will win, and the fair will take it as an investment for the future," Bartosik said. And that's what happened.

Charlie Neary of Ovations Food Services was one who was skeptical going into the deal, nervous that they would see the same volume of business but with lower prices, thus a decrease in revenue. "But I do believe, after the fact, that it did work. It got a buzz going that ended up with people coming out to the fair. I would recommend other fairs do it so long as they're willing to negotiate with concessionaires on percentage rates."

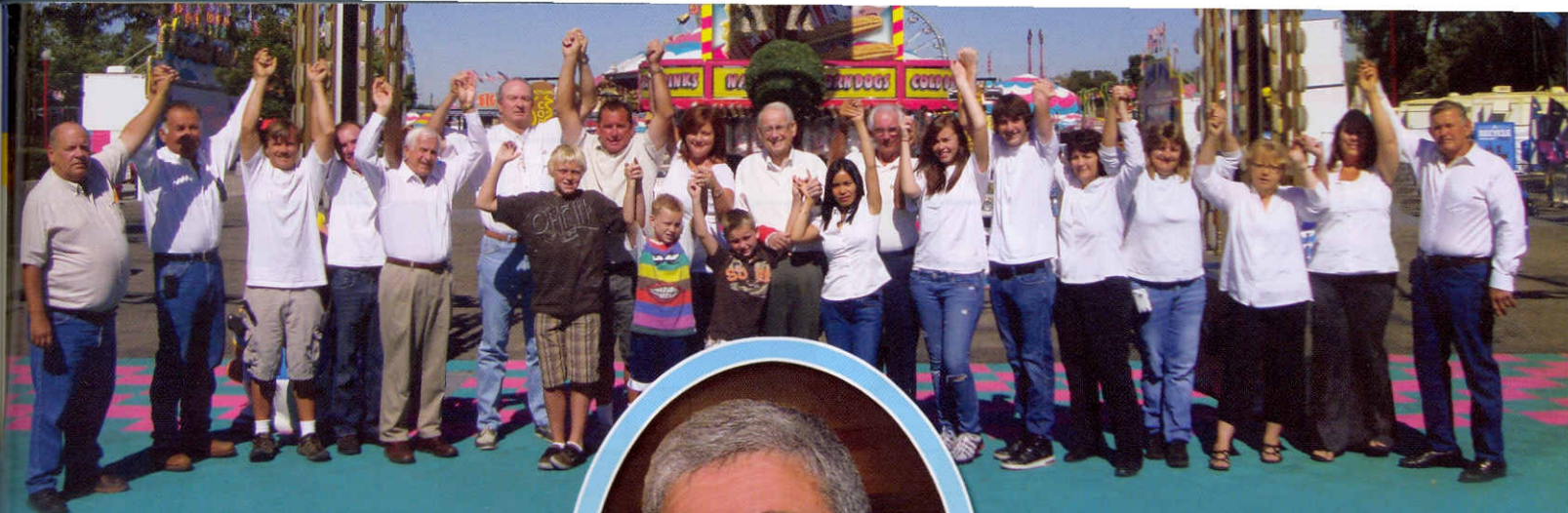
The California State Fair books 84 vendors with 100 food stands. The promotion was mandatory if you played the California State Fair. "We did have one say they were a national franchise and that their corporate strategists wouldn't let them lower prices that much," Bartosik recalled. "I just accepted it and we moved on."

"Twenty-five percent does sound like a lot," he admitted, noting a \$4 hotdog was now \$3. But it also sounds right. Visiting a fair after his event wrapped, Bartosik was shocked to find \$12 jumbo hotdogs and \$10 milkshakes. "I thought this is nuts; what has our industry come to," he said.

In 2011, they will be adding two percent back to rent, bringing it up to 20 percent, and concessionaires will adjust prices accordingly. That, Bartosik said, "is right where we need to be."

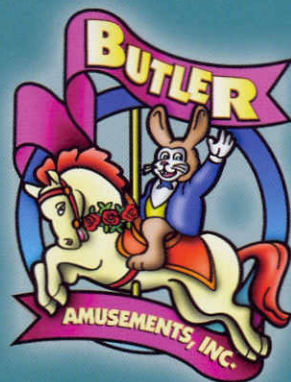


CONCESSIONS



Congratulations Norb Bartosik

for being awarded the 2010
Venues Today Hall of Headlines Award



"Working with Norb has been, and continues to be a pleasure. His support in promotions is exemplary and we are thrilled to be partners with him and his staff. This award recognition is well deserved!"

~ Earl "Butch" Butler, President/CEO, Butler Amusements, Inc. ~

CALIFORNIA EXPOSITION & STATE FAIR

Executive Committee Meeting Minutes
Friday, January 28, 2011
11:30 a.m.

MINUTES

Committee Members Present:

Corny Gallagher, Chair
Director Richard Cuneo
Director Rick Stacey
Director Amparo Pérez-Lemus

Staff Present:

General Manager/CEO (GM)	Norb Bartosik
Deputy General Manager (DGM)	Brian May
Assistant General Manager, Chief Financial Officer (AGM)	Dana McIlwain
Cal Expo Volunteer	Randy Brink
Recording Secretary	Linda Contreras

Chair Gallagher called the meeting to order at 11:30 a.m. and dispensed with reading the Mission Statement and Public Comments Statement.

MATTERS OF INFORMATION

1. Staff Reports
 - a. Legislative Update

Legislative Consultant Norm Towne was unavailable today. A draft bill has been sent to Legislative Counsel to take care of some of the operational needs and legislative goals of the Board.

Chair Gallagher reported that GM Bartosik appeared before the State Agricultural Board to talk about the impact that the Governor's proposal to eliminate fair funding would have.

GM Bartosik reported on his conversation with DAG Jerry Blair regarding reducing his attendance at Board Meetings if the agenda does not warrant his attendance. Director Cuneo supports DAG Blair's attendance when warranted.

GM Bartosik reported on the proposal by Director Hime at the Finance & Audit Committee meeting to reduce the number of Board Meetings to help reduce Staff time in preparing for the meetings.

Staff will bring back more information.

ADJOURNMENT

Motion:

It was moved by Director Pérez-Lemus and seconded by Director Cuneo to adjourn the Executive Committee meeting. **All in favor, motion carried.**

The Executive Committee meeting adjourned at 12:00 p.m.

CALIFORNIA EXPOSITION & STATE FAIR

Operations & Planning Committee Meeting Minutes
Friday, January 28, 2011
10:30 a.m.

MINUTES

Committee Members Present:

Richard Cuneo, Chair
Director Rex Hime
Director Marko Mlikotin
Director Kathy Nakase

Staff Present:

General Manager/CEO (GM)
Deputy General Manager (DGM)
Assistant General Manager, Programs (AGM)
Assistant General Manager, Special Projects (AGM)
Assistant General Manager, Chief Financial Officer (AGM)
Admissions, Parking & RV Park Manager
Contract Manager
Interim Marketing Manager (IMM)
Recording Secretary

Norb Bartosik
Brian May
Patricia Garamendi
Amy Coleman-Casias
Dana McIlwain
Marcia Shell
Jan Risso
Joan Evans
Linda Contreras

Others Present:

Friends of the Fair

Harry Moos

Chair Cuneo called the meeting to order at 10:40 a.m. Chair Cuneo dispensed with reading the Mission Statement and the Public Comments Statement.

CORRESPONDENCE

1. Department of Water Resources Flood Risk Notice Letter

Chair Cuneo reviewed the Department of Water Resources Flood Risk Notice Letter included in the Board packet. The Committee had no questions.

MATTERS OF INFORMATION

1. Staff Reports

The Capital Project and Sales Reports were reviewed by DGM May.

DGM May reported Staff was notified by the promoter of the Used Car Sales event that they will not be scheduling events in 2011. Also, the Hispanic Dance promoter

will be scheduling fewer events. This information was not reflected in the 2011 Budget presented to the Board.

Director Hime asked Staff to contact other used car sale promoters to ask them if they would be interested in having a monthly event at Cal Expo.

Director Mlikotin asked about the status of the Regional Water Quality Control Board requirements for new treatment processes for the Sacramento Regional Sanitation District. AGM May reported that the District has appealed the requirement that will cost rate payers tens of millions of dollars. Staff is continuing to monitor and will report back to the Board.

The Committee asked that Staff send a letter to the Regional Water Quality Control Board outlining the impacts these requirements will have on Cal Expo's operations.

ADJOURNMENT

Motion:

It was moved by Director Hime and seconded by Director Nakase to adjourn the Operations & Planning Committee. **All in favor, motion carried.**

The Operations & Planning Committee meeting adjourned at 10:55 a.m.

CALIFORNIA EXPOSITION & STATE FAIR

Finance & Audit Committee Meeting Minutes
Friday, January 28, 2011
9:30 a.m.

MINUTES

Committee Members Present:

Rick Stacey, Chair
Director Cynthia Bryant
Director Rex Hime
Director Kathy Nakase

Staff Present:

General Manager/CEO (GM)
Deputy General Manager (DGM)
Assistant General Manager, Racing (AGM)
Assistant General Manager, Programs (AGM)
Assistant General Manager, Chief Financial Officer (AGM)
Admissions, Parking & RV Park Manager
Contracts Manager
Interim Marketing Manager (IMM)
Sponsorship Sales
Livestock Program Manager
Exhibits Supervisor
Entertainment Coordinator
Recording Secretary

Norb Bartosik
Brian May
Dave Elliott
Patricia Garamendi
Dana McIlwain
Marcia Shell
Jan Risso
Joan Evans
Brian Honebein
Tomme Jo Dale
Greg Kinder
Paul Gillingham
Linda Contreras

Others Present:

Friends of the Fair

Harry Moos

Chair Stacey called the meeting to order at 9:55 a.m. and welcomed and introduced newly appointed Director Bryant to the Board and the Finance & Audit Committee.

Chair Stacey read the Mission Statement and Public Comments Statement.

UNFINISHED BUSINESS

1. Review Approved 2011 Operating Budget from Division of Fairs & Expositions

GM Bartosik reviewed the Approved 2011 Operating Budget from Division of Fairs & Expositions letter included in the Board packet.

GM Bartosik commented that this is not new news to the Committee since the Board and this Committee is continually updated on the finances of Cal Expo.

NEW BUSINESS

1. Monthly Financial Reports for November 2010
2. Accounts Receivable Report
3. Contracts/Purchases Requiring Board Approval

AGM McIlwain reviewed the Monthly Financial Reports for November 2010 included in the Board packet.

AGM McIlwain the detailed listing of the Accounts Receivable which was distributed and reviewed. A copy is attached and made part of the record.

Director Nakase asked for clarification on the report provided in the Board packet and the report distributed by AGM McIlwain. Chair Stacey reported that the reports distributed are as of November 30. The report included in the packet is prior to the date of November 30.

Director Hime asked about the total due from Twin Spires and YouBet.com noted on the Accounts Receivable report. AGM McIlwain clarified that partial payments have been made on the balances and is reflected by the asterisks. AGM Elliott will contact them to find out when the balance will be paid.

Motion:

It was moved by Director Hime and seconded by Director Nakase to recommend to the Board for approval the monthly financial statements for November 2010 and the Contracts/Purchases Requiring Board Approval. **All in favor, motion carried.**

MATTERS OF INFORMATION

1. Contracts/Purchases Requiring Board Notification
2. Capital Project Projection Report

Chair Stacey reviewed the report on the overpayment of purses.

Chair Stacey presented the idea of moving financial reporting to a quarterly basis and focusing on a breakdown of the budget and fund balance adjustment on a monthly basis.

AGM McIlwain said monthly reporting is normally reflective of timing differences where quarterly reporting will point out more trending.

Director Hime suggested that reducing the number of Board meetings should be evaluated and discussed as well.

Staff will bring back a recommendation at the February meeting.

Chair Stacey complimented AGM McIlwain and Staff on the refinements of the financial reports.

ADJOURNMENT

Motion:

It was moved by Director Hime and seconded by Director Bryant to adjourn the Finance & Audit Committee Meeting. **All in favor, motion carried.**

The Finance & Audit Committee meeting adjourned at 10:35 a.m.

**California Exposition and State Fair
Revenue and Expense
2005-2010**

Year	2005	2006	2007	2008	2009	2010
						DRAFT
Revenue						
State Fair	\$ 17,274,000	\$ 17,328,093	\$15,353,874	\$ 15,651,761	\$ 15,494,354	\$ 14,864,856
Racing	3,932,635	3,808,367	3,700,572	6,211,766	7,183,697	5,996,984
Interim Events	4,752,021	4,579,353	4,565,737	4,569,902	4,454,053	3,524,806
Other	1,393,062	2,524,842	1,711,065	1,467,853	1,307,390	1,374,075
Reimbursements	2,367,974	2,247,926	2,468,170	2,837,527	2,201,554	2,063,825
Total Revenue	29,719,692	30,488,581	27,799,418	30,738,809	30,641,048	27,824,546
Expenses (net of depreciation)	27,918,467	25,894,653	26,499,060	30,389,609	29,481,117	28,184,757
Profit (Loss) before Depreciation	1,801,225	4,593,928	1,300,358	349,200	1,159,931	(360,211)
Less: Depreciation expense	(2,833,975)	(2,795,927)	(2,761,863)	(2,682,848)	(2,540,999)	(2,400,000) *
Net Profit (Loss)	\$ (1,032,750)	\$ 1,798,001	\$ (1,461,505)	\$ (2,333,648)	\$ (1,381,068)	\$ (2,760,211)

* estimate based on prior year history

State of California

California Exposition & State Fair
1600 Exposition Blvd.
Sacramento, California 95852
Tel: (916) 263-3283
Fax: (916) 263-3198
Email: deliott@calexpo.com

MEMORANDUM

Date: January 12, 2011

To: Board of Directors
California Exposition & State Fair

Via: Norbert J. Bartosik, General Manager/CEO
California Exposition & State Fair

From: David Elliott, Assistant General Manager, Racing Events
California Exposition & State Fair

Subject: January Board Report

1. 2010 Satellite Wagering Commissions Update (Unaudited)
2. Harness Meet Update

1. 2010 Satellite Wagering Commissions Update

	Satellite Wagering	ADW	Total
December 2010	43,035	9,977	53,012
December 2009	50,685	12,530	63,215
Jan-Dec 2010	660,727	183,515	844,242
Jan-Dec 2009	743,940	193,764	937,704

2. Harness Meet Update

The following information is provided related to the Cal Expo Harness Racing meet during the calendar year periods of 2010 and 2009. All figures provided are unaudited.

	<u>Racing Days</u>	<u>Handle On Track</u>	<u>Handle Off Track</u>	<u>Handle Out of State</u>	<u>Handle ADW</u>	<u>Total</u>
2010	134	5,553,963	48,075,131	24,138,025	25,929,312	103,696,430
Average Daily		41,447	358,770	180,135	193,502	773,854
'10 v '09 +/- %		(8.5%)	(12.7%)	(1.6%)	+1.1%	(6.7%)
2009	138	6,249,031	56,714,152	25,263,662	26,422,475	114,669,320
Average Daily		45,283	410,972	183,070	191,467	830,937

	<u>Commissions Revenue</u>	<u>On Track</u>	<u>Off Track</u>	<u>Out of State</u>	<u>ADW</u>	<u>Total</u>
2010		496,522	2,690,366	314,988	1,088,953	4,590,829
2010 v 2009 +/- %		(14.5%)	(16.5%)	(1.5%)	(4.5%)	(14.4%)
2009		580,572	3,222,458	319,945	1,139,708	5,262,684

Purse Overpayment Information

The following purse overpayment information (unaudited and cumulative to date) is provided as gross purses generated versus gross purses paid for the following periods:

March 5, 2008 through August 2, 2008 -	\$27,185
August 3, 2008 through December 20, 2008 -	(\$151,311)
December 26, 2008 through August 1, 2009 -	(\$ 19,378)
August 2, 2009 through December 19, 2009 -	(\$564,475)
December 26, 2009 through June 19, 2010 -	(\$229,106)
June 20, 2010 through December 19, 2010 -	(\$633,938)
Week Ending January 8, 2011	(\$616,484)

The purse reduction of 10%, not offering the higher class races, and not having to supplement the California Sires Stakes Races has reduced the amount of weekly purses offered from an average in November/December of \$124,000 to \$96,880. We are hopeful the handle, which historically increases in the spring of each year, will continue to increase and reduce the overpayment further. If the trend of reducing the overpayment ceases by the end of January, we will take other steps to decrease the overpayment including but not limited to another purse reduction.

CALIFORNIA EXPOSITION & STATE FAIR

2010 Capital Project Projection

As of December 30, 2010

	Estimated Completion Date	Original Budget	Current Projection	Variance
General Facility				
1. Storm water	12/30/10	\$ 25,000.00	\$ 30,000.00	(5,000.00)
2. Prefair Asphalt	complete	\$ 15,000.00	\$ 14,372.00	628.00
3. Shade Cloth Repair	complete	\$ 40,000.00	\$ 42,331.00	(2,331.00)
4. Natural Gas	12/30/10	\$ 40,000.00	\$ 80,000.00	(40,000.00)
5. Contingency	6/30/10	\$ 80,000.00	\$ -	80,000.00
6. ADA Projects	12/31/10	\$ 133,000.00	\$ 133,000.00	-
7. Restroom Roofs	complete	\$ 50,000.00	\$ 48,860.00	1,140.00
8. Farm Sprinkler	Canceled	\$ 15,000.00		15,000.00
9. Monorail Paint Main Gate Canopy	complete	\$ 10,000.00	\$ 13,388.00	(3,388.00)
10. Solar Panel Repairs	12/30/10	\$ 35,000.00	\$ 35,000.00	-
11. Paint 1 Barn	cancel	\$ 20,000.00	\$ -	20,000.00
12. Fiber Optic	complete	\$ 20,000.00	\$ 16,490.00	3,510.00
13. Fire System	complete	\$ 25,000.00	\$ 42,920.00	(17,920.00)
14. Monorail	complete	\$ 180,000.00	\$ 180,000.00	-
15. Arbor	complete	\$ 10,000.00	\$ 10,108.00	(108.00)
16. Lot D entrance asphalt repair	complete	\$ -	\$ 9,255.00	(9,255.00)
17. Install drain catch basins north of Admin	complete	\$ -	\$ 6,500.00	(6,500.00)
18. C.C.A Special inspections	Dec-10	\$ -	\$ 5,000.00	(5,000.00)
19. .33 Funds	7/10/10	\$ 50,000.00	\$ 50,000.00	-
Loan Payments				
1. HVAC Loan		\$ 33,000.00	\$ 33,000.00	-
2. Restroom Loan		\$ 29,000.00	\$ 29,000.00	-
3. Shade Structure Loan		\$ 30,000.00	\$ 30,000.00	-
				-
Total		\$ 840,000.00	\$ 809,224.00	30,776.00

Off Budget Items (to be funded by others or reimbursed)

1. Electrical Vault Rehab	12/30/2010	\$ 160,000.00	\$ 150,000.00	
2. Fiber Optic Upgrade	12/30/2010	\$ 25,000.00	\$ 31,000.00	
3. Conceptual development consultant	11/1/2010	\$ 123,600.00	0.00	
4. Alternate development design consultant	12/30/2010	\$ 51,500.00	0.00	
5. Stable rehab CARF funds	11/30/2010	\$ 115,000.00	115,000.00	
Total Off Budget Items		\$ 475,100.00	0.00	

Bold Items Represent Changes From The Previous Report

ADA projects

#1 Retrofit restrooms		\$ 35,000.00	\$ 12,000.00	complete
#2 ADA drinking fountains		\$ 2,000.00	\$ 10,000.00	complete
#3 Remove bridge in Wine garden		\$ 7,500.00	\$ 4,753.00	complete
#4 Remove fire hose cabinets		\$ 18,000.00	\$ 18,000.00	complete
#5 Additional ADA signage		\$ 3,000.00	\$ 1,960.74	complete
#6 ADA drain grates work plan		\$ 2,500.00	\$ 15,130.00	complete
#7 Lagoon edge protection		\$ 65,000.00	\$ 35,000.00	complete
TOTAL ADA		\$ 133,000.00	\$ 96,843.74	\$ 36,156.26
Carnival Capital Improvement		\$ 200,000.00	\$ 200,000.00	
Ovations		\$ 100,000.00	\$ 100,000.00	

CALIFORNIA EXPOSITION & STATE FAIR

SBROWN

DETAIL AGED A/R BY CUST SLP THRU 1/31/2011

AGED BY DUE DATE

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TRM: ??

CUSTOMER

OVER 30 OVER 60 OVER 90
12/01/2010 11/01/2010 UP TO
12/31/2010 11/30/2010 10/31/2010

DATE TRM INVOICE ----PO/UDF INFORMATION---- BALANCE

----- SALESPERSON: MKT MARKETING

CARL KARCHER EN CARLS2

CREDIT RATING:

1/04/2011 30 13509 SPONSOR ARG# 10-0164

12,500.00

TOTALS:

12,500.00

DAIMLER CHRYSLER DODGE

CREDIT RATING:

7/25/2010 0 13065 10 SF SPONSORSHIP
11/05/2010 30 FC-1105
12/09/2010 30 FC-1209
1/11/2011 30 FC-0111

65,800.00 65,800.00
987.00 987.00
987.00 987.00
987.00 987.00

TOTALS:

68,761.00 987.00 65,800.00

PAGE BATHROOMS, PACEBA

CREDIT RATING:

7/26/2010 0 13068 10SF SPONSORSHIP *
11/05/2010 30 FC-1105
12/09/2010 30 FC-1209
1/11/2011 30 FC-0111

8,000.00 8,000.00
240.00 240.00
240.00 240.00
120.00 120.00

TOTALS:

8,600.00 240.00 8,000.00

PRIME ONE PRIME PRIME

CREDIT RATING:

6/24/2010 10 12967 10 CSF SPONSORSHIP
8/25/2010 30 13182 10CSF PARKING PASSES
9/24/2010 30 FC-0924
11/05/2010 30 FC-1105
1/11/2011 30 FC-0111

18,000.00 18,000.00
300.00 300.00
270.00 270.00
274.50 274.50
274.50 274.50

TOTALS:

19,119.00 274.50 18,570.00

TOTALS FOR MKT

108,980.00 1,501.50 92,370.00

CALIFORNIA EXPOSITION & STATE FAIR

SBROWN

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TRM: ??

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CUSTOMER	DATE	TRM	INVOICE	PO/UDF INFORMATION	BALANCE	OVER 30 12/01/2010	OVER 60 11/01/2010	OVER 90 UP TO 12/31/2010

SALESPERSON: MSC MISC SALESPERSON								

=====

ANNY SOUVANNARA SOUVAN					CREDIT RATING: HOLD		
7/28/2010	0	NSF-CK-110	NSF CK110		64.95		64.95
TOTALS:					64.95		64.95
BRENDA CASILLAS CASILB					CREDIT RATING: HOLD		
7/22/2010	0	NSF-CK-516	NSF-CK-516		64.95		64.95
TOTALS:					64.95		64.95
CA FAIR SERVICE CAFSA					CREDIT RATING:		
11/30/2010	30	13438	Q3-2010 REIMBURSEMENTS		27,349.95	27,349.95	
1/24/2011	30	13543	AMY CASIAS'S TIME REIMBUR		3,510.00		
TOTALS:					30,859.95	27,349.95	
DAVID GOMEZ GOMEZD					CREDIT RATING: HOLD		
7/30/2010	0	NSF-CK-113	NSF CK-113		64.95		64.95
TOTALS:					64.95		64.95
FAITH THOMAS THOMFA					CREDIT RATING: HOLD		
7/12/2010	0	NSF-CK-404	NSF-CK-404		64.95		64.95
TOTALS:					64.95		64.95
KAREN E. FRITZL FRITKA					CREDIT RATING: HOLD		
1/23/2009	0	NSF-CK-1003			205.00		205.00
TOTALS:					205.00		205.00
OFFICE OF TRAFF OFFIC3					CREDIT RATING:		
11/16/2010	30	13431	4TH QTR (JUL-SEP) REIMB		2,682.24	2,682.24	
			*		2,682.24		
TOTALS:					2,682.24	2,682.24	
PHYLLIS LUTZ LUTZPH					CREDIT RATING: HOLD		
8/10/2010	0	NSF-CK-1523	NSF-CK-1523		104.90		104.90
TOTALS:					104.90		104.90
SAC CO ACCTG SACCO					CREDIT RATING:		
12/31/2010	30	13526	4TH QTR BUSHY LAKE		96.75		
TOTALS:					96.75		
SAC COUNTY FAIR SACFAI					CREDIT RATING:		
12/31/2010	30	13557	OCT-OCT POSTAGE		136.55		
1/03/2011	30	13502			75.00		
TOTALS:					211.55		
TOTALS FOR MSC					34,420.19	30,032.19	569.70

CALIFORNIA EXPOSITION & STATE FAIR

SBROWN

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TRM: ??

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CUSTOMER

OVER 30 OVER 60 OVER 90

12/01/2010 11/01/2010 UP TO

DATE TRM INVOICE ----PO/UDF INFORMATION---- BALANCE

12/31/2010 11/30/2010 10/31/2010

----- SALESPERSON: OPS OPERATIONS/INTERIM EVENTS

AFRICAN CULTURA AFRICC

CREDIT RATING:

10/07/2010 30 13331 AFRICAN CUTURAL FESTIVAL

2,266.00

2,266.00

TOTALS:

2,266.00

2,266.00

ARDEN FAIR ASSO ARDENF

CREDIT RATING:

1/13/2011 30 13527 NOV-DEC PARKING

1,380.00

TOTALS:

1,380.00

BEST WESTERN EX BESTW2

CREDIT RATING:

8/25/2010 30 13172 10CSF TICKETS

1,568.00

1,568.00

11/05/2010 30 FC-1105 SF TKT CONSIGNMT

23.52

23.52

12/09/2010 30 FC-1209 SF TKT CONSIGNMT

23.52

1/11/2011 30 FC-0111 SF TKT CONSIGNMT

23.52

TOTALS:

1,638.56

23.52

1,568.00

BLAZE INTERNATI BLAZE

CREDIT RATING: HOLD

9/15/2009 SF NSF-CK-220

875.00

TOTALS:

875.00

CA HORSE RACING CAHRB

CREDIT RATING:

1/03/2011 30 13504 11JANUARY RENT

125.10

TOTALS:

125.10

CASTLE COMMUNIC CASTLE

CREDIT RATING:

1/18/2011 30 13538 OVERPAY TO VENDOR

3,000.00

TOTALS:

3,000.00

FRIENDS OF THE FRIEN2

CREDIT RATING:

1/25/2011 30 13555 2010FINAL GALA BILLING

16,181.63

TOTALS:

16,181.63

GE SECURITY GESECU

CREDIT RATING: HOLD

1/19/2010 30 12591 GE SURPA KEY EXCHANGE

657.00

657.00

6/10/2010 FC-0610

9.86

9.86

8/20/2010 FC-0820

9.86

9.86

9/24/2010 FC-0924

9.86

9.86

TOTALS:

686.58

686.58

HOPE FOR THE CA HOPEFO

CREDIT RATING: HOLD

8/31/2009 SF NSF-CK-1182

3,145.00

TOTALS:

3,145.00

KXTV-10 KXTV

CREDIT RATING:

1/14/2011 30 13539 COATS FOR KIDS

44.00

CALIFORNIA EXPOSITION & STATE FAIR

SBROWN

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CUSTOMER

OVER 30 OVER 60 OVER 90

12/01/2010 11/01/2010 UP TO

12/31/2010 11/30/2010 10/31/2010

DATE TRM INVOICE ----PO/UDF INFORMATION---- BALANCE

----- SALESPERSON: OPS (CONTINUED)

KXTV-10

KXTV-10 -NEWS 10

(CONTINUED)

TOTALS:

44.00

LED I PARTNERS, LEDPAR

CREDIT RATING:

8/01/2010 60	13112 10 AUG BUYOUT FEE	10,000.00		10,000.00
10/31/2010 60	13414 SEP BUYOUT FEE	10,000.00	10,000.00	
12/03/2010 60	13475 10JULY FEE	10,820.25		
12/03/2010 60	13476 10AUG FEE	9,855.00		
12/03/2010 60	13477 10 SEP FEE	6,898.50		

TOTALS:

47,573.75

10,000.00

10,000.00

NAACP-SACRAMENT NAACPS

CREDIT RATING:

9/13/2010 30	13273 RHYTHM & BLUES FESTIVAL	9,518.75		9,518.75
12/09/2010 0	FC-1209	142.78	142.78	
1/11/2011 0	FC-0111	142.78		

TOTALS:

9,804.31

142.78

9,518.75

OVATIONS

FAN

CREDIT RATING:

3/15/2010 20	12744 SOC1014	3,500.00		3,500.00
12/01/2010 20	13481 SKI DAZZLE *	15.10		
12/22/2010 20	13499 CATERING	225.00		
1/12/2011 20	13544 WWSRA NOR CAL	713.74		
1/12/2011 20	13545 BRIDAL SHOW	165.48		
1/12/2011 20	13546 GUN & CAT SHOW	1,433.22		
1/12/2011 20	13547 JAVA II U	344.11		
1/12/2011 20	13548 JAVA II U	382.95		
1/12/2011 20	13549 WWSRA	278.28		
1/19/2011 20	13550 TRAIN SHOW	1,373.48		
1/19/2011 20	13551 MOUI WOWI	210.94		
1/21/2011 20	13542 DEC.1,2010 REIMBURSABLES	1,732.00		

TOTALS:

10,374.30

3,500.00

PALACE ENTERTAINMENT

CREDIT RATING:

1/03/2011 30	13508 11 JAN RENT	19,568.63		
--------------	-------------------	-----------	--	--

TOTALS:

19,568.63

RECREATION ENTERTE

CREDIT RATING:

11/05/2008 30	11632 FALL RV SHOW *	19,888.00		19,888.00
11/17/2008 30	FC-1117	201.23		201.23
12/17/2008 30	FC-1217	201.23		201.23
1/20/2009 30	FC-0120	685.60		685.60
4/15/2009 30	FC-0415	685.60		685.60
5/15/2009 30	FC-0515	624.51		624.51

CALIFORNIA EXPOSITION & STATE FAIR

SBROWN

DETAIL AGED A/R BY CUST SLP THRU 1/31/2011

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TRM: ??

CUSTOMER	DATE	TRM	INVOICE	PO/UDF INFORMATION	BALANCE	OVER 30	OVER 60	OVER 90
						12/01/2010	11/01/2010	UP TO
						12/31/2010	11/30/2010	10/31/2010

----- SALESPERSON: OPS (CONTINUED)

RECREATION ENTE RECREATION ENTERPRISES

(CONTINUED)

6/16/2009	30	FC-0616		624.51		624.51
7/29/2009	30	FC-0729		624.51		624.51
9/23/2009	30	FC-0923		624.51		624.51
10/15/2009	30	FC-1015		624.51		624.51

TOTALS: 24,784.21 24,784.21

SACRAMENTO HMON SACHNY

CREDIT RATING:

12/23/2010 30 13498 10HMONG NEW YEAR 8,589.00

TOTALS: 8,589.00

SACRAMENTO METR SACMF2

CREDIT RATING:

11/02/2010 30 13399 JIM SAUNDER MEMORIAL 340.50 340.50

TOTALS: 340.50 340.50

SALVATION ARMY SALVAT

CREDIT RATING:

1/13/2011 30 13528 DEC TOY&FOOD DISTRIBUTIO 970.25

TOTALS: 970.25

TFC CONCESSIONS TFC

CREDIT RATING:

1/03/2011 30 13507 11JAN RENT 400.00

TOTALS: 400.00

THE NEIGHBORHOOD NEIGHB

CREDIT RATING:

10/27/2010 30 13372 SAVE THE DREAM TOUR 31,906.00 31,906.00

1/11/2011 30 FC-0111 478.59

TOTALS: 32,384.59 31,906.00

TOWNEPLACE SUIT TOWNE

CREDIT RATING:

8/25/2010 30 13181 10CSF TICKETS * 18.00 18.00

TOTALS: 18.00 18.00

TUPOUC COLLEGE R TUPOUC

CREDIT RATING: HOLD

5/07/2010 0 12871 TUPOUC COLLEGE REUNION * 5,369.06 5,369.06

8/20/2010 30 FC-0820 80.54 80.54

9/24/2010 30 FC-0924 80.54 80.54

11/05/2010 30 FC-1105 80.54 80.54

TOTALS: 5,610.68 80.54 5,530.14

UNIVERSAL MCCAN UNIVMC

CREDIT RATING:

9/07/2010 30 13231 10CSF SECURITY SERVICE 462.00 462.00

1/11/2011 30 FC-0111 6.93

CALIFORNIA EXPOSITION & STATE FAIR

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TRM: ??

CUSTOMER

OVER 30 OVER 60 OVER 90

12/01/2010 11/01/2010 UP TO

DATE TRM INVOICE ----PO/UDF INFORMATION---- BALANCE

12/31/2010 11/30/2010 10/31/2010

----- SALESPERSON: OPS (CONTINUED)

UNIVERSAL MCCAN UNIVERSAL MCCANN OBO US ARMY

(CONTINUED)

TOTALS:

468.93

462.00

VALDIVIA ENTERT VALDI2

CREDIT RATING: HOLD

6/14/2010 0 12945 XTREMO 2010

9,117.30

9,117.30

8/20/2010 30 FC-0820 MAY EVENT

136.76

136.76

9/24/2010 30 FC-0924 MAY EVENT

136.76

136.76

11/05/2010 30 FC-1105 MAY EVENT

136.76

136.76

TOTALS:

9,527.58

136.76

9,390.82

VIRGIL H. CRAFT CRAFTVI

CREDIT RATING: HOLD

8/07/2009 SF CE-09-4422

* 1,293.00

9/15/2009 0 FC-0915

19.40

19.40

10/15/2009 0 FC-1015

19.40

19.40

11/15/2009 0 FC-1115

19.40

19.40

TOTALS:

1,351.20

58.20

ZIPZAP LLC DBA ZIPZAP

CREDIT RATING: HOLD

8/24/2009 SF NSF-CK-1104

* 1,390.78

TOTALS:

1,390.78

TOTALS FOR OPS

202,498.58

10,724.10 34,172.00 65,516.70

CALIFORNIA EXPOSITION & STATE FAIR

SBROWN

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TRM: ??

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CUSTOMER	DATE	TRM	INVOICE	----PO/UDF INFORMATION----	BALANCE	OVER 30 12/01/2010	OVER 60 11/01/2010	OVER 90 UP TO 12/31/2010
----- SALESPERSON: PRO PROGRAMS								

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CALIFORNIA GRAP CAGRAPH

CREDIT RATING:

1/07/2011 30

13524 DONATION

850.00

TOTALS:

850.00

DEPT FOOD & AG DFOOD1

CREDIT RATING:

12/31/2010 30

13510 DEC-TJDALE SALARY REIM

2,050.53

TOTALS:

2,050.53

DEPT WATER RES DWR

CREDIT RATING: HOLD

12/22/2010 45

13496 THE FARM-WATER EFFICIENT

29,000.00

29,000.00

TOTALS:

29,000.00

29,000.00

ELANCO ANIMAL H ELANCO

CREDIT RATING:

8/17/2010 30

13137 SPONSOR- CHAM CHA

500.00

500.00

11/05/2010 30

FC-1105 CHAMP CHA

7.50

7.50

12/09/2010 30

FC-1209 CHAMP CHA

7.50

1/11/2011 30

FC-0111 CHAMP CHA

7.50

TOTALS:

522.50

7.50

500.00

ETCO MARINE

ETCOMA

CREDIT RATING:

7/21/2010 0

SOC1186

50.00

50.00

TOTALS:

50.00

50.00

FRIENDS OF FAIR FRIEND

CREDIT RATING:

12/17/2010 30

13488 JU-SEP POSTAGE-150F

9.24

12/31/2010 30

13556 OCT-DEC POSTAGE

142.12

TOTALS:

151.36

GEIST CATTLE CO GEISTC

CREDIT RATING: HOLD

10/07/2008 0

SOC-833 SOC-833

6,909.25

6,909.25

10/30/2008 0

LBC-916 LBC-916

1,000.00

1,000.00

11/17/2008 30

FC-1117

103.64

103.64

12/17/2008 30

FC-1217

118.64

118.64

1/20/2009 30

FC-0120

118.64

118.64

4/15/2009 30

FC-0415

118.64

118.64

6/16/2009 30

FC-0616

118.64

118.64

TOTALS:

8,487.45

8,487.45

KENNY & WENDY H SHOOGUE

CREDIT RATING: HOLD

11/16/2009 0

SOC1036 SOC1036

100.00

100.00

6/10/2010 0

FC-0610

1.50

1.50

8/20/2010 30

FC-0820

1.50

1.50

9/24/2010 30

FC-0924

1.50

1.50

TOTALS:

104.50

104.50

CALIFORNIA EXPOSITION & STATE FAIR

SBROWN

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TRM: ??

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CUSTOMER

OVER 30	OVER 60	OVER 90
12/01/2010	11/01/2010	UP TO
12/31/2010	11/30/2010	10/31/2010

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DATE TRM INVOICE ----PO/UDF INFORMATION---- BALANCE

----- SALESPERSON: PRO (CONTINUED)

KOUNTRY FEED	KOUNTF	CREDIT RATING:		
7/21/2010 0	SOC1166	2,400.00		2,400.00
9/24/2010 30	FC-0924	36.00		36.00
11/05/2010 30	FC-1105	36.00	36.00	
12/09/2010 30	FC-1209	36.00		

TOTALS:		2,508.00	36.00	2,436.00
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KRUSE, O.H.	KRUSE	CREDIT RATING:		
7/21/2010 0	SOC1130	2,300.00		2,300.00
9/24/2010 30	FC-0924	34.50		34.50
11/05/2010 30	FC-1105	34.50	34.50	
12/09/2010 30	FC-1209	34.50		

TOTALS:		2,403.50	34.50	2,334.50
---------	--	----------	-------	----------

MCMILLAN MONLAT MCMILJA		CREDIT RATING: HOLD		
10/07/2008 0	SOC-860 SOC-8690	100.00		100.00
11/17/2008 0	FC-1117	1.50		1.50
12/17/2008 0	FC-1217	1.50		1.50
1/20/2009 0	FC-0120	1.50		1.50

TOTALS:		104.50		104.50
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NATIONAL SPOTTE NATSSR		CREDIT RATING:		
8/17/2010 30	13123 CHAMP CHA SPONSOR	200.00		200.00
11/05/2010 SF	FC-1105	3.00		
12/09/2010 SF	FC-1209	3.00		
1/11/2011 SF	FC-0111	3.00		

TOTALS:		209.00		200.00
---------	--	--------	--	--------

SMESTADMOEN, DE SMESTA		CREDIT RATING: HOLD		
10/29/2009 0	12487 JR.LIVESTOCK	50.00		50.00

TOTALS:		50.00		50.00
---------	--	-------	--	-------

WEST STATE HORS WESTH2		CREDIT RATING:		
10/15/2010 30	13351 15505-ONE JUMP	500.00		500.00
1/11/2011 30	FC-0111 CAVALCADE OF HORSES	7.50		

TOTALS:		507.50		500.00
---------	--	--------	--	--------

TOTALS FOR PRO		46,998.84	29,078.00	500.00 14,266.95
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CALIFORNIA EXPOSITION & STATE FAIR

SBROWN

DETAIL AGED A/R BY CUST SLP THRU 1/31/2011

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TRM: ??

=====

DATE	TRM	INVOICE	-----PO/UDF INFORMATION-----	BALANCE	OVER 30	OVER 60	OVER 90
					12/01/2010	11/01/2010	UP TO
					12/31/2010	11/30/2010	10/31/2010

----- SALESPERSON: RAC RACING

ATTACKIONS HIPP SHIPPI

11/09/2009 0 NSF-CK-2246

CREDIT RATING:

2,934.94

2,934.94

TOTALS:

2,934.94

2,934.94

CA AUTH RAC FAI CAARF

10/07/2010 90 13329 JAN-JUN REIM CMC AD

CREDIT RATING:

3,935.82

TOTALS:

3,935.82

CALIFORNIA EXPO 5CALEX

CREDIT RATING:

8/31/2010 30	13260 ENDAUGREC	536.74	536.74
9/30/2010 30	13346 ENDSEPREC	536.74	536.74
12/05/2010 30	13478	250.48	
12/12/2010 30	13485 101212COM2	240.73	
12/19/2010 30	13493 101219COM3	219.65	
12/31/2010 30	13515 01022011COM5	286.05	
12/31/2010 30	13518 ADWSAC101231	738.65	
12/31/2010 30	13521 ADWCH101231	14.44	
1/09/2011 30	13529 100109COM1	394.65	
1/18/2011 30	13535 110116COM2	352.79	
1/23/2011 30	13552 110123COM23	257.79	

TOTALS:

3,828.71

1,073.48

CALIFORNIA HARN CAHHA2

11/01/2010 30 13383 10NOV.UTILITY

CREDIT RATING:

150.00

150.00

TOTALS:

150.00

150.00

CALIFORNIA STAT CALSF

CREDIT RATING:

7/18/2010 0	13056 100718COM3	2,018.87	2,018.87
7/25/2010 0	13073 100725COM4	2,160.94	2,160.94

TOTALS:

4,179.81

4,179.81

JAMES W.WILKINS WILKJA

1/25/2011 0	NSR-CK1523	NSR-CK1523	917.00
1/25/2011 0	NSR-CK1524	NSR-CK1524	825.00

CREDIT RATING:

917.00

825.00

TOTALS:

1,742.00

JOSEPH S. NEFSK NEFSKY

CREDIT RATING:

12/16/2010 0	NSFR-CK116	NSFR-CK116	975.00	975.00
1/03/2011 0	NSR-CK119	NSR-CK119	625.00	
1/04/2011 0	NSR-CK118	NSR-CK118	1,225.00	

TOTALS:

2,825.00

975.00

KERRIE HERNANDE HERNKE

1/19/2011 0 NSR-CK4708 NSR-CK4708

CREDIT RATING:

625.00

CALIFORNIA EXPOSITION & STATE FAIR
SBROWN

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CUST: ??????

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TRM: ??

=====				OVER 30	OVER 60	OVER 90
CUSTOMER				12/01/2010	11/01/2010	UP TO
DATE TRM INVOICE ----PO/UDF INFORMATION----				12/31/2010	11/30/2010	10/31/2010
=====				=====		
----- SALESPERSON: RAC (CONTINUED)						

KERRIE HERNANDE KERRIE HERNANDEZ

(CONTINUED)

1/19/2011 0 NSR-CK4709 NSR-CK4709

825.00

TOTALS:

1,450.00

LOS ALAMITOS QU SLOSAL

CREDIT RATING:

6/04/2010 30 12905 10MAY 8/16 FUNDS
10/08/2010 30 13334 10AUG 6/12 FUNDS
10/08/2010 30 13335 10SEP 6/12 FUNDS

15,058.91
9,868.05
7,562.11
15,058.91

TOTALS:

32,489.07

LOS ALAMITOS QU LOSALQ

CREDIT RATING:

2/28/2010 30 12707 100228COM4 *
3/31/2010 30 12804 1003RECONCILE
5/31/2010 30 12918 100531ADW-CALEXP HARNESS
5/31/2010 30 12931 ENDMAYREC
10/31/2010 30 13390 ADWCH-101031
10/31/2010 30 13394 ADWSAC101031
11/30/2010 30 13447 ADWSAC101130
11/30/2010 30 13450 ADWCH101130
11/30/2010 CM-ENDNOVREC CM-ENDNOVREC
12/31/2010 30 13517 01022011
12/31/2010 30 13520 ADWSAC101231
12/31/2010 30 13523 ADWCH101231
1/09/2011 30 13531 100109COM1
1/18/2011 30 13537 110116COM2
1/23/2011 30 13554 110123COM3

1,448.16
431.61
54.98
92.09
36.86
2,031.98
1,845.31
33.47
102.96-
1,278.18
1,597.25
30.55
2,238.52
1,683.20
1,639.65
1,448.16
431.61
54.98
92.09
36.86
2,031.98
1,845.31
33.47
102.96-
1,278.18
1,597.25
30.55
2,238.52
1,683.20
1,639.65

TOTALS:

14,338.85

NCOTWING FOR GO NCOTGG

CREDIT RATING:

9/30/2010 30 13347 ENDSEPREC
12/31/2010 30 13516 01022011COM5 *
12/31/2010 30 13519 ADWSAC101231 *
12/31/2010 30 13522 ADWCH101231 *
1/09/2011 30 13530 100109COM1
1/18/2011 30 13536 110116COM2
1/23/2011 30 13553 110123COM3

74.36
4,338.27
1,963.24
49.33
6,883.77
6,091.87
7,645.26
74.36

TOTALS:

27,046.10

NO.CALIFORNIA O NCOTW2

CREDIT RATING:

11/02/2010 30 13406 ANNOUNCER 50% REIMBURSEM

2,018.25
2,018.25

TOTALS:

2,018.25

PRISCILLA ALTER ALTERM

CREDIT RATING:

2,018.25

CALIFORNIA EXPOSITION & STATE FAIR

SBROWN

DETAIL AGED A/R BY CUST SLP THRU 1/31/2011

AGED BY DUE DATE

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CUST: ??????

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TRM: ??

DATE	TRM	INVOICE	PO/UDF INFORMATION	BALANCE	OVER 30	OVER 60	OVER 90
					12/01/2010	11/01/2010	UP TO
					12/31/2010	11/30/2010	10/31/2010

----- SALESPERSON: RAC (CONTINUED)

PRISCILLA ALTER PRISCILLA ALTERMAN

(CONTINUED)

1/21/2011 0	NSR-CK1162	NSR-DK1162-1/21/11	245.00				
TOTALS:				245.00			
SCOTWINC	SCOTWI		CREDIT RATING:				
1/19/2011 30	13540	DEC-PROMOTIONAL A/C	20,892.20				
1/19/2011 30	13541	DEC-OPERATIONS A/C	51,896.03				
TOTALS:				72,788.23			
TWIN SPIRES	STWINS		CREDIT RATING:				
3/31/2010 0	12812	ADW RECEIVABLES *	3,080.72			3,080.72	
6/04/2010 30	12909	MAY ADW RECEIVABLES *	3,113.05			3,113.05	
8/18/2010 0	13117	JUNE ADW RECEIVABLES] *	1,912.03			1,912.03	
9/28/2010 30	13294	AUG.ADW RECEIVABLES *	2,172.08			2,172.08	
10/08/2010 30	13339	SEP-ADW RECEIVABLES *	2,505.10		2,505.10		
11/15/2010 30	13418	OCT-ADW RECEIVABLES	12,793.09	12,793.09			
1/14/2011 30	13534	DEC-ADW RECEIVABLES	54,787.34				
TOTALS:				80,363.41	12,793.09	2,505.10	10,277.88
XPRESS BET/ MAG 5XPRES			CREDIT RATING:				
1/14/2011 30	13533	DEC-ADW RECEIVABLES	21,204.64				
TOTALS:				21,204.64			
YOUBET.COM	SYOUBE		CREDIT RATING:				
6/04/2010 30	12908	MAY ADW RECEIVABLES *	7,663.01			7,663.01	
8/18/2010 0	13116	JUNE ADW RECEIVABLES	39,716.61			39,716.61	
8/18/2010 0	13119	JULY ADW RECEIVABLES	27,087.46			27,087.46	
9/28/2010 30	13293	AUG.ADW RECEIVABLES *	3,042.42			3,042.42	
10/08/2010 30	13338	SEP-ADW RECEIVABLES *	5,796.78		5,796.78		
11/15/2010 30	13417	OCT-ADW RECEIVABLES	40,729.48	40,729.48			
TOTALS:				124,035.76	40,729.48	5,796.78	77,509.50
TOTALS FOR RAC				395,575.59	58,544.60	27,697.92	113,135.72

CALIFORNIA EXPOSITION & STATE FAIR

SBROWN

DETAIL AGED A/R BY CUST SLP THRU 1/31/2011

AGED BY DUE DATE

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CUST: ??????

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TRM: ??

CUSTOMER

OVER 30 OVER 60 OVER 90

12/01/2010 11/01/2010 UP TO

12/31/2010 11/30/2010 10/31/2010

DATE TRM INVOICE ----PO/UDF INFORMATION---- BALANCE

GRAND TOTALS:

788,473.20

129,880.39 62,369.92 285,859.07

16.47% 7.91% 36.25%

* = INVOICES WITH PARTIAL PAYMENTS (OR ADJUSTMENTS)

California Exposition and State Fair
 Analysis and Forecast of Cash Flow for 2010 and 2011
 (A=actual, F=forecasted)

Year/Month		Receipts	Disbursements	Cash Balance	Net forecast change
2010		Beginning balance 1/1/2010		\$ 2,695,553	
January	A	\$ 1,623,230	\$ 2,584,404	1,734,379	
February	A	2,236,858	2,280,276	1,690,961	
March	A	3,022,166	2,631,649	2,081,478	
April	A	1,597,673	2,194,419	1,484,732	
May	A	3,057,672	2,356,024	2,186,380	
June	A	3,295,263	2,867,581	2,614,062	
July	A	8,897,385	4,512,990	6,998,457	
August	A	3,475,058	4,727,476	5,746,039	
September	A	651,642	2,928,055	3,469,626	
October	A	1,803,782	1,679,686	3,593,722	\$ 469,791
November	A	2,296,380	2,486,060	3,404,042	\$ 826,320
December	A	1,768,198	2,888,331	2,283,909	(\$172,817)
TOTALS		\$ 33,725,307	\$ 34,136,951		
2011		Beginning balance 1/1/2011		\$ 2,283,909	
January	F	\$ 1,541,480	\$ 2,464,114	1,361,275	
February	F	2,155,108	2,460,140	1,056,243	
March	F	2,940,416	2,211,429	1,785,230	
April	F	1,515,923	2,169,687	1,131,466	
May	F	2,975,922	2,246,308	1,861,080	
June	F	3,213,513	2,792,885	2,281,708	
July					
August					
September					
October					
November					
December					
TOTALS		\$ 14,342,362	\$ 14,344,563		

Assumptions:

Receipts

Events will closely follow Q1 and Q2 of 2010. The impact of changes from 2010 to 2011 is negligible: Q1 (\$17,390) and Q2 \$30,000.

Harness racing and simulcast wagering is forecast to be down 24% collectively. Receipts have been reduced by \$81,750 per month.

Disbursements

Payroll costs adjusted for increase in health benefit premiums and PERS %, and decreased by 4.62% due to the state budget cut.

Payroll costs also reflect a \$40,000/month reduction in temporary help costs.

Accounts payable decreased \$90,000/month to reflect a decrease in capital outlay in relation to corresponding quarters in 2010.

CALIFORNIA EXPOSITION & STATE FAIR

State Fair, Agriculture & Marketing Committee Meeting Minutes

Friday, January 28, 2011

9:00 a.m.

MINUTES

Committee Members Present:

Richard Engel, Chair
Director Corny Gallagher
Director Marko Mlikotin
Director Amparo Pérez-Lemus

Staff Present:

General Manager/CEO (GM)
Deputy General Manager (DGM)
Assistant General Manager, Programs (AGM)
Admissions, Parking & RV Park Manager
Interim Marketing Manager (IMM)
Marketing Assistant
Sponsorship Sales
Exhibits Supervisor
Livestock Program Coordinator
Entertainment Coordinator
Recording Secretary

Norb Bartosik
Brian May
Patricia Garamendi
Marcia Shell
Joan Evans
Heather Lopez
Brian Honebein
Greg Kinder
Tomme Jo Dale
Paul Gillingham
Linda Contreras

Others Present:

Runyon Saltzman & Einhorn
Runyon Saltzman & Einhorn
Runyon Saltzman & Einhorn

Jane Einhorn
Courtney Pasqual
Cristin Wagoner

Chair Engel, newly elected Board member, called the meeting to order at 9:15 a.m. and dispensed with reading the Mission Statement and Public Comments Statement.

Introductions of Staff and Guests were made around the room.

NEW BUSINESS

1. Review & Consider for Approval Staff Recommendation of Member Candidates, Jennifer L. Fearing, California Senior State Director, The Humane Society of the United States and Emily Robidart Rooney, President, Agricultural Council of California to the Agricultural Advisory Council

Chair Engel reviewed the qualifications and background of each candidate.

Director Mlikotin asked about the application process for candidates.

Chair Gallagher arrived at 9:27 a.m.

GM Bartosik reported that some Agricultural Advisory Council members have expressed a concern about Jennifer Fearing because of her role with the Humane Society of the United States whose policies are sometimes in conflict with Fairs.

DGM May reported that the animal welfare committees of other Fairs include people on both sides of the issue dealing with animal rights. It's important for this Fair to be transparent and represent the interests of all points of view.

Motion:

It was moved by Director Pérez-Lemus and seconded by Chair Gallagher to recommend to the Board for approval Staff Recommendation of Member Candidates, Jennifer L. Fearing, California Senior State Director, The Humane Society of the United States and Emily Robidart Rooney, President, Agricultural Council of California to the Agricultural Advisory Council. **All in favor, motion carried.**

MATTERS OF INFORMATION

1. Staff Reports

IMM Evans directed the Committee's attention to the 28 awards received by the California State Fair at the Western Fairs Association Convention.

AGM Garamendi reported the awards presented were double from last year. The Committee applauded and congratulated Staff.

Runyon Saltzman & Einhorn presented a preliminary theme concept which plays on the Big Fun theme by making everything at the Fair bigger than life.

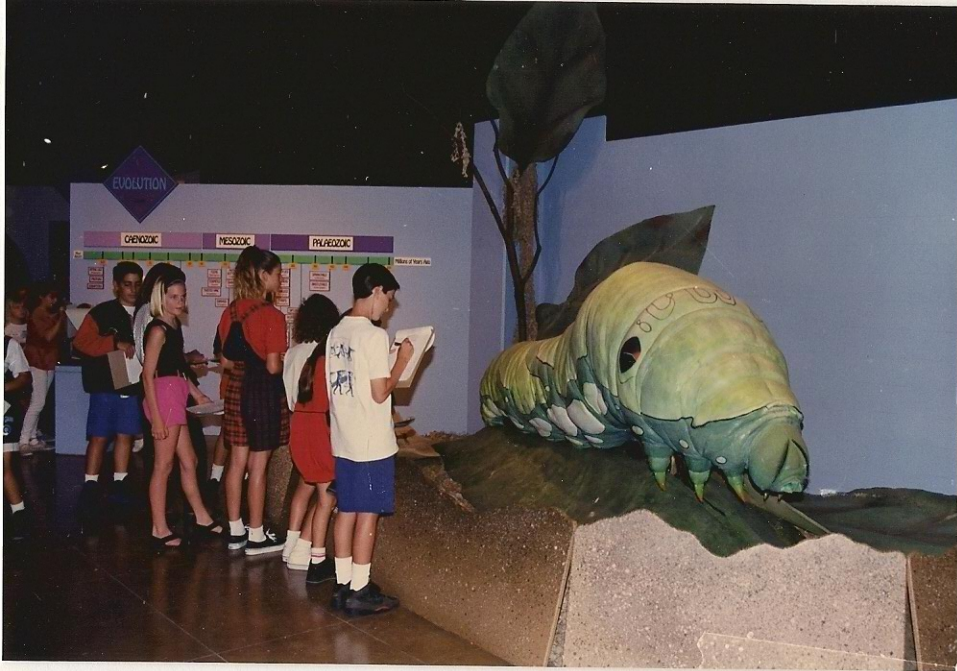
Director Mlikotin asked for a future report on how the ad campaign will target the average family of four, particularly those that don't read print publications like the Sacramento Bee. Director Mlikotin also asked for a report back on the State Fair Revenue Plan, particularly promotions and discounts.

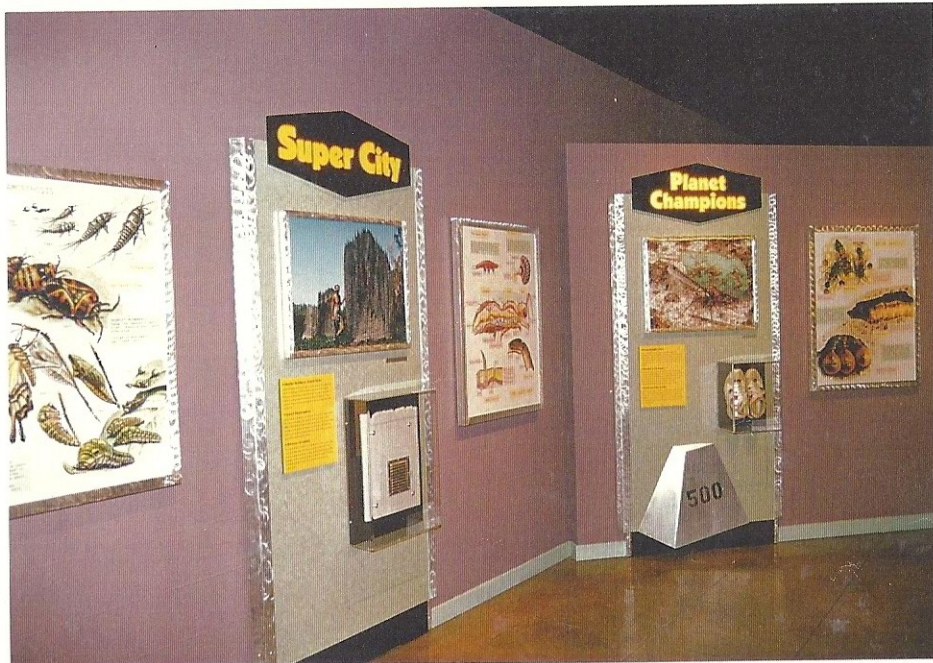
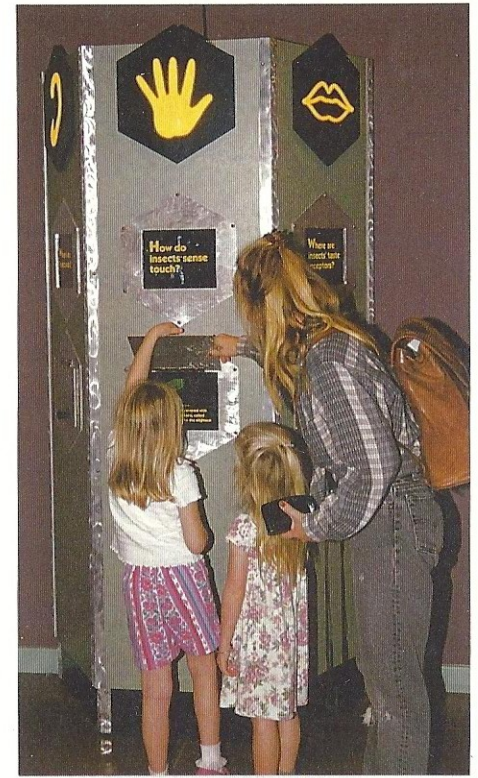
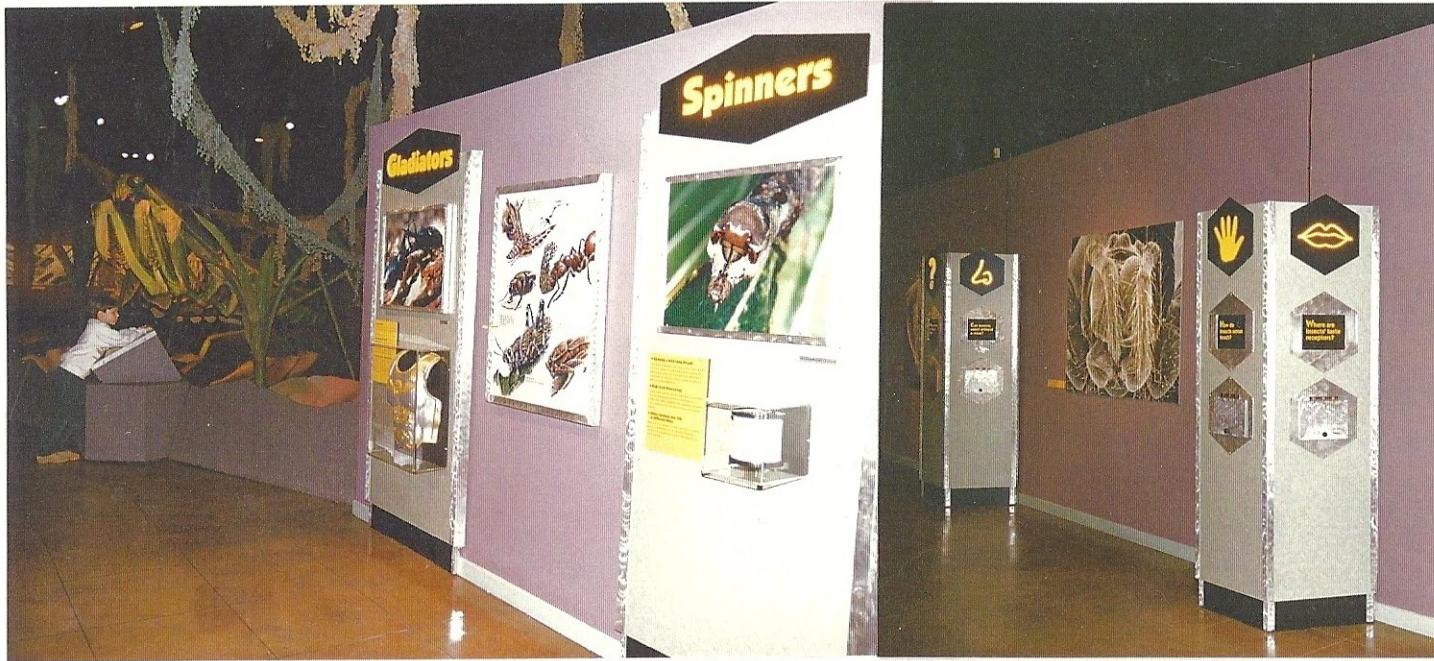
Exhibits Supervisor, Greg Kinder, distributed some pictures illustrating the Big Bug exhibit and provided a brief description on the exhibit. A copy is attached and made part of the record.

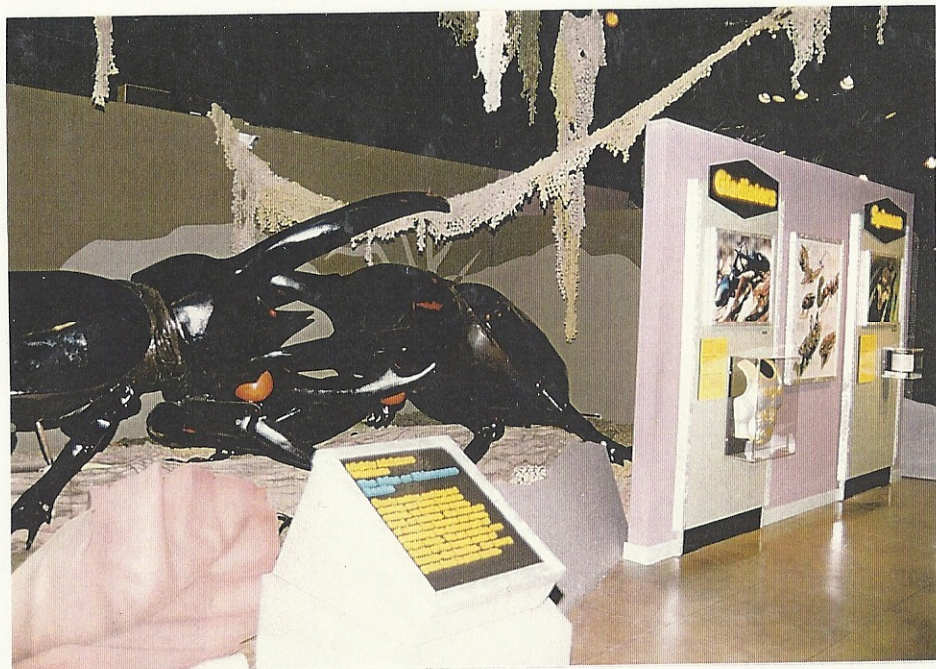
AGM Garamendi reminded Committee and Staff the scholarship applications deadline is March 11th.

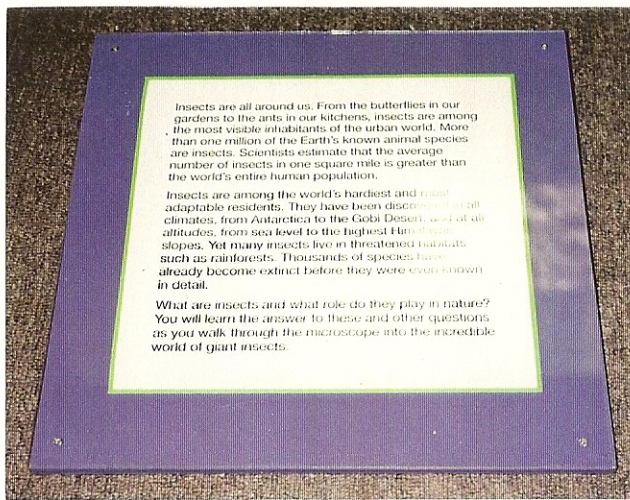
ADJOURNMENT

The State Fair, Agriculture and Marketing Committee meeting adjourned at 9:53 a.m.

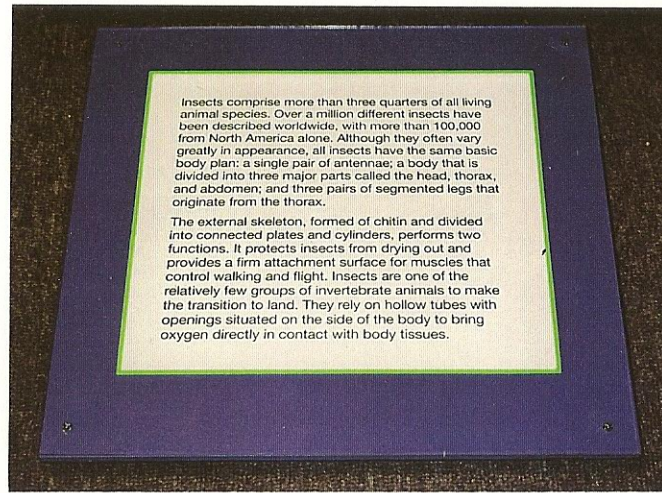




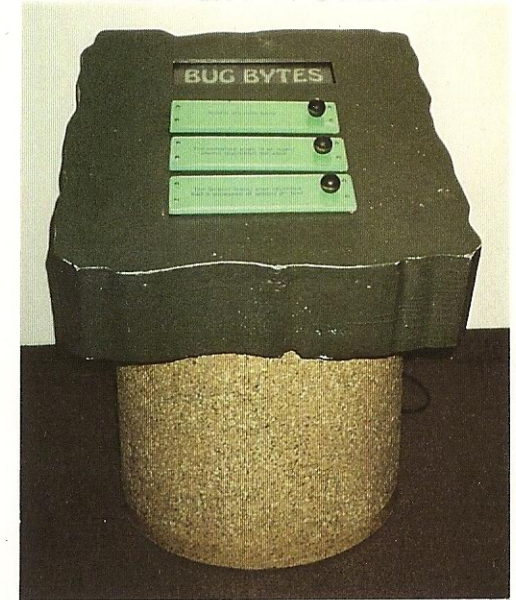




MAIN INTRODUCTORY PANEL



**SECONDARY INTRO LABEL
(WITH LADYBIRD BEETLE GRAPHIC PANEL)**



**"BUG BYTES"
TRUE/FALSE QUIZ LIGHT BOX (6 PIECES)**

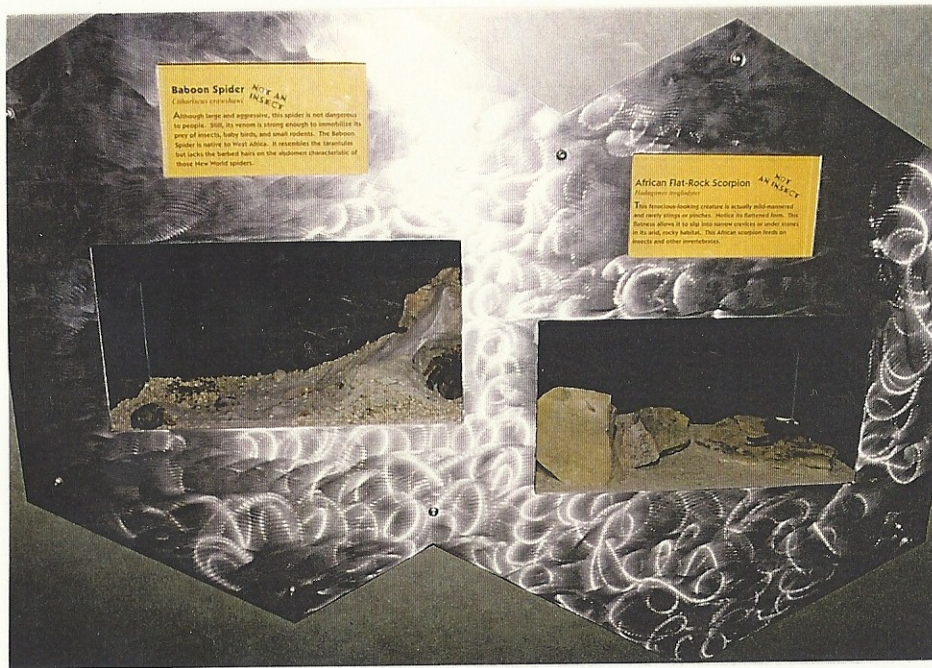
INSECT EVOLUTION GRAPHIC PANEL

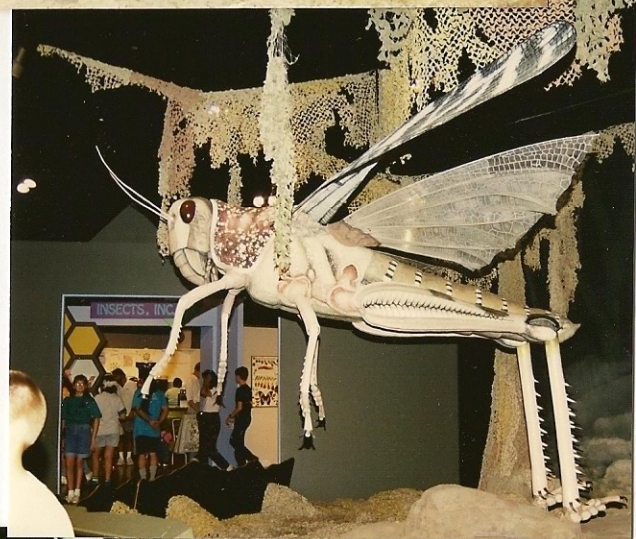


BARRICADE PANELS (4 PIECES FOR INTERACTIVE INSECT HEAD DISPLAY)



LIGHTED INSECT SIGN BOXES (5 PIECES)





CALIFORNIA EXPOSITION & STATE FAIR
Horse Racing Committee Meeting Minutes
Friday, January 28, 2011
8:30 a.m.

MINUTES

Committee Members Present:

Director Cynthia Bryant
Director Rick Stacey

Committee Member Absent:

Steve Beneto, Chair

Staff Present:

General Manager/CEO (GM)	Norb Bartosik
Deputy General Manager (DGM)	Brian May
Assistant General Manager, Racing (AGM)	David Elliott
Assistant General Manager, Chief Financial Officer (AGM)	Dana McIlwain
Admissions, Parking & RV Park Manager	Marcia Shell
Interim Marketing Manager (IMM)	Joan Evans
Recording Secretary	Linda Contreras

Others Present:

California Harness Horsemen's Association (CHHA)	Alan Horowitz
California Harness Horsemen's Association (CHHA)	Robert Johnson
California Harness Horsemen's Association (CHHA)	Rocky Stidham

Director Stacey called the meeting to order at 8:30 a.m. and dispensed with reading the Mission Statement and the Public Comments Statement. Chair Beneto was not present and had asked to be excused.

Director Stacey welcomed and introduced newly appointed Director Bryant to the Board and the Horse Racing Committee.

MATTERS OF INFORMATION

1. Staff Reports

AGM Elliott reviewed his Staff Report included in the Board packet.

AGM Elliott distributed a Current Cal Expo Harness Racing Purse Overpayment Tally for review to the Committee. A copy is attached and made part of the record.

A discussion ensued about the overpayment which to date is currently estimated at \$500,002.

PUBLIC COMMENTS

Alan Horowitz, CHHA asked about the status of the 8/16 money and Cal Expo's \$175,000 contractual obligation to the purse overpayment.

AGM Elliott said 8/16 money is already accounted for and was spent on the Fall incentive program agreed to by CHHA. The \$175,000 obligation is not reflected in the overpayment tally, but when applied, it reduces the overpayment by \$175,000.

Director Stacey asked for a report at a future meeting on a long range solution to the horse racing issue.

AGM Elliott reported that he would like to bring 6 or 8 legislative concepts back to the Committee for consideration.

ADJOURNMENT

The Horse Racing Committee meeting adjourned at 9:05 a.m.

Current Cal Expo Harness Racing Purse Overpayment Tally

As of racing week ending January 22, 2011, the overpayment of purses including gross purses paid vs. gross purses generated from handle is: **\$621,502**

This amount is a carry over amount from all meets since March 2008 as noted in the January racing committee report.

Reductions to the purse pool overpayment amounts are that have not yet been received are:

- Scotwinc Surplus purse funds from 2010-(see below) **\$ 70,000 (estimated)***
- AB 480 Refund- **\$ 10,000 (estimated)**
- Outs funds- Uncashed tickets to purse pool- **\$ 30,000 (estimated)**
- CHHA Outstanding Late Closer Funds- **\$ 11,500**

Reductions to overpayment TOTAL- **\$121,500**

Current Overpayment of Purses- (621,502 - 121,500) **\$500,002**

***Scotwinc Surplus funds for 2010 are generated as follows:**

Funds generated and forwarded to Scotwinc for Off Track expenses and reimbursements: **\$2,962,006**

Funds expended for off track expenses: **\$2,532,006**

Surplus Funds split 50/50 between commissions and purses: **\$ 430,000**

Surplus Funds already accrued: **\$ 290,000**

Surplus Funds not accrued: **\$ 140,000**

*Surplus Funds not accrued 50% to purse pool: **\$ 70,000**